

Loan Application & Agreement

Return to:
Hartford Life Insurance Company
PO Box 1583
Hartford, CT 06101-8676
800-528-9009



Group Number: 150014	Plan Name: 401(a) Incentive Retirement Plan		
Employee Name: <i>Last, First, M.I.</i>		Social Security Number:	Employee ID Number:
Address:		Daytime Phone Number	
City:	State:	Zip:	

EMPLOYEE REQUEST FOR LOAN

I request to borrow a portion of my account balance as of _____. The amount requested is \$_____.

I understand that the amount of this Loan may not exceed the lesser of 50% of my vested account balance or \$50,000 (as adjusted – See Effect of Borrowing – Limitations below). I understand that the proceeds of my Loan will be taken from all available funds in which my Account is invested on a prorata basis and from each Contribution Account in the order set forth in the Plan. I understand and agree that the total loan amount due and payable will include a **processing fee** of \$ **50.00** to be deducted from my Account in the Plan in the same manner as the amount borrowed.

PROMISSORY NOTE (TO BE COMPLETED BY HARTFORD LIFE)

I promise to repay to my account the Total Repayment Amount shown below subject to the following terms.

AMOUNT OF LOAN (Not including the processing fee)	\$
ANNUAL INTEREST RATE	%
FINANCE CHARGE (Total amount of interest to be paid over the loan term.)	\$
TOTAL REPAYMENT AMOUNT	\$
REPAYMENT PERIOD (Check one.)	<input type="checkbox"/> Weekly <input type="checkbox"/> Bi-Weekly <input type="checkbox"/> Monthly <input type="checkbox"/> Semi-Monthly
AMOUNT OF PAYMENT PER PERIOD	\$

I agree to repay this loan to my account through payroll deductions within ☐ 1 Year ☐ 2 Years ☐ 3 Years ☐ 4 Years ☐ 5 Years ☐ Other _____ (not to exceed five years except for the purchase of a primary residence) from the date of this loan, at a rate of interest established by the Plan Committee.

I understand that loan payments will be made by payroll deduction in accordance with the Terms stated above beginning on ____/____/____, and every month thereafter until and including the last month of _____.

SIGNATURES

I further understand that I may fully repay the outstanding amount of this loan without penalty. Partial prepayments are not allowed. Upon my retirement, death or termination of employment or termination of the Plan prior to the full repayment of the loan, the outstanding principal amount of the loan will be considered due. My vested account balance will be reduced by the amount of outstanding principal balance of the loan before any distribution to me or my beneficiary, whichever is applicable. I agree that none of the terms or provisions of this Promissory Note may be waived, altered, modified or amended except in writing and duly executed by me and the Plan Trustees. I further understand my endorsement of the check representing this loan shall constitute my agreement to all terms of this Promissory Note. I acknowledge that I have read and received an executed copy of this Promissory Note and agree to all the terms and conditions of the Loan Agreement on page 2.

Employee's Signature _____ Date _____

Loan Agreement

I agree that the following terms will apply to the Loan issued to me by the Plan.

Terms of the Plan

This Loan Agreement and the Loan being made to me are subject to the terms of the Plan as now in effect or later amended, including any rules made by the Plan Administrator under the authority of the Plan. The pertinent provisions and defined terms of the Plan and rules of the Plan Administrator are considered in the terms of this Agreement.

Effect of Borrowing - Limitations

I agree that the amount borrowed will be advanced from my investment accounts maintained under the Plan on my behalf in the manner so indicated on the Loan Application. I understand that the maximum Loan amount is limited to the lesser of 50% of my vested account balance under the Plan, or \$50,000 reduced by the highest outstanding balance on any Loan(s) made to me from this Plan (or any other plan sponsored by the Employer) during the twelve-month period ending on the date this Loan is made.

Effect of Repayment

As I repay this Loan, the repayments (both principal and interest) will be credited to my Account and invested in accordance with the terms of the Plan. Hartford Life will provide me with a complete repayment schedule for this Loan.

Loan Terms

The basic terms of the Loan are specified on the Loan Application. I promise to repay this Loan in the manner and to the extent required by this Agreement and rules of the Plan Administrator.

Repayment of Loan

During any period I am employed by the Employer, I hereby authorize the Plan Administrator to deduct from my salary, or amounts paid in lieu thereof, the repayment amounts set forth on the Loan Application. During any period of time when I am not receiving salary or amounts paid in lieu thereof (such as certain periods of layoff or leaves of absence) or my salary or other payment is insufficient to make the required repayment or if I should cancel my salary deduction authorization, I agree to make the scheduled repayment when due (or any deficiency therein) by check to the Plan Administrator.

Event of Default

If any of the following events occurs before this Loan plus interest is repaid in full, there shall be an event of default: (1) termination of my employment for any reason (including death); (2) a distribution is required to be made under a qualified domestic relations order affecting my account and the distribution would exceed my interest in the Plan less the amount of the Loan outstanding plus accrued interest; or (3) my failure to repay the Loan for three consecutive months. Upon the event of default, I acknowledge that the entire outstanding balance of the Loan plus any accrued interest shall be considered immediately due and payable. If I do not repay the Loan within (31) days of an event of default, I authorize the Plan Administrator to foreclose on the outstanding Loan by deducting the unpaid balance of the Loan plus interest from my account, to the extent permitted by law.

Early and Late Repayment

I have the right to repay at the end of the month in full (but not in part) the outstanding principal balance of this Loan plus unpaid interest to the date of such repayment.

Security Interest

I understand that the Loan shall be secured by a lien on my interest in the Plan equal to the value of the outstanding principal plus interest. Accordingly, I grant a security interest in, and a general lien upon, the vested balance of my Account as security for the payment when due of the principal and interest on the Loan.

Defined Terms

Unless otherwise indicated above, all capitalized terms used above shall have the same meaning as defined in the Plan. The term Plan Administrator includes any individual or group designated to exercise discretionary control over Loans from the Plan.